

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN JOHN WITT**, on January 20, 1999 at
8:07 A.M., in Room 201 Capitol.

ROLL CALL

Members Present:

Rep. John Witt, Chairman (R)
Sen. Tom Keating, Vice Chairman (R)
Sen. William Crismore (R)
Rep. Dick Haines (R)
Sen. Linda Nelson (D)
Rep. Joe Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Summer Alger, Committee Secretary
Roger Lloyd, Legislative Branch
Bob Tallerico, Legislative Branch
Doug Schmitz, OBPP

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearings: HB 2 - DNRC Budget
HB 2 - Dept. of Agriculture Budget
Executive Action: HB 2 - DNRC Budget
HB 2 - Dept. of Agriculture Budget

Roger Lloyd sent around a handout on the difference from the
executive budget and from base as of 1/20/99.

EXHIBIT(jnh15a01)

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Sen. Nelson questioned **Mr. Lloyd** on \$2000 total increase (on differences from base side of Exhibit 1), to which he replied the 1st year was slightly over in total dollars's from what the executive budget has and is slightly under in total funds during the 2nd year. **Rep. Haines** then reiterated that the executive budget was +/- \$6 million over the budget.

HEARING ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : A; Approx. Time Counter : 4}

DP 3510

Bud Clinch, Director, DNRC, commented on this decision package, which was skipped during the previous meeting (1/19/99) due to a request for an alternative proposal from the committee. **Don Artley, Administrator, Forestry Division**, and **Chuck Brenton, Pilot**, discussed alternatives while handing out a packet on the DNRC Fire and Aviation Bureau: Options for Funding the Aviation Program.

EXHIBIT(jnh15a02)

Director Clinch said that the minimum package is a 6 month season, at \$25,389/year(the pilots already work 5 months), where the pilots would then qualify for State benefits. One-third would be funded from fire assessment fees and two-thirds from general fund.

Chairman Witt inquired about the 3 seasonal helicopter pilots, and **Sen. Keating** asked how many fire calls they get in a season, to which **Don Artley** replied approximately 410 calls.

Roger Lloyd questioned **Mr. Artley** on the budget, to which he replied that the new requested increase is for \$25,389, not the previously proposed \$40,470 of general fund each year. **Doug Schmitz** then commented on behalf of the division.

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : A; Approx. Time Counter : 28.9}

Motion/Vote: **REP. TROPILA** moved that **DP 3510 USING OPTION #4 FROM EXHIBIT 2 BE ADOPTED. SECONDED** by **SEN. KEATING**. Motion carried unanimously.

DP 3513

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : B; Approx. Time Counter : 7.8}

Motion/Vote: REP. HAINES moved that DP 3513 BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried 5-1 with Nelson voting no.

DP 3514

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : B; Approx. Time Counter : 10.5}

Motion/Vote: SEN. KEATING moved that DP 3514 WITH \$20,000 BE ADOPTED AS ONE-TIME-ONLY AND RESTRICTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

DP 3515

Rep. Haines questioned Don Artley and found that unfortunately, there would not be savings somewhere else, nor would there be any equipment relief.

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : B; Approx. Time Counter : 13.9}

Motion/Vote: SEN. KEATING moved that DP 3515 BE ADOPTED. SECONDED by REP. HAINES. Motion carried 5-1 with Witt voting no.

DP 3516

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : B; Approx. Time Counter : 17.4}

Motion/Vote: REP. TROPILA moved that DP 3516 BE ADOPTED. SECONDED by SEN. CRISMORE. Motion carried unanimously.

Proprietary Rates

Roger Lloyd discussed the air operations and the accompanying rates on page C-174 and page C-175 of the LBA 2001 budget book.

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Next, he went over the Rate Explanation, along with the New Proposals and the following LFD Comments/Issues on page **C-176**.

Chairman Witt questioned **Chuck Brenton** on jet rentals, then **Rep. Tropila** asked if the rate change would change the fund balance, while **Sen. Keating** asked how much a fund balance this should have.

Roger Lloyd then went over the CI-75 Issue on pages **C-176** through **C-177** of the LBA 2001 budget book.

EXECUTIVE ACTION ON HB 2 - DNRC BUDGET - FORESTRY DIVISION

{Tape : 1; Side : B; Approx. Time Counter : 29.9}

Motion/Vote: **SEN. KEATING** moved that the **RATE INCREASE BE ADOPTED. SECONDED** by **REP. HAINES**. Motion carried unanimously.

Mr. Lloyd made final comments on Table 15 on page **C-174** of the LBA 2001 budget book, with **Mr. Artley** commenting also.

Break @ 9:12am ***{Tape : 2; Side : A; Approx. Time Counter : 4.1}***

[enter Bob Tallerico & leave Roger Lloyd]

HEARING ON HB 2 - MT DEPT. OF AGRICULTURE BUDGET

{Tape : 2; Side : A; Approx. Time Counter : 5.1 → Tape : 2; Side : B; Approx. Time Counter : 21}

Ralph Peck, Director, MT Dept. of Agriculture, gave the agency overview presentation while following the information in the packet handed out to the committee.

EXHIBIT(jnh15a03)

Freida Houser gave an overview on the Central Management Division, then **Gary Gingery, Administrator, Agriculture Sciences Division**, gave an overview of his division. He then passed out and commented on a sheet on Ag Licences and Registrations.

EXHIBIT(jnh15a04)

Sen. Keating asked if they use the Ground Water Protection committee and if there is a proprietary charge to the MT DOA for use of the program.

Chairman Witt expressed concern over the factory farms and surrounding states forcing (the farms) into this area, to which

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the agency replied that yes, they do work with the DEQ on this ground water issue. The **Chairman** then asked if the bad water in Northeastern Montana, which is due to increased nitrates, would all be blamed on farmers and fertilization. The agency replied that they are working on tests, but no, the department would not blame most of the contamination on common fertilizers.

Will Kissinger, Administrator, Agriculture Development Division and Deputy Director, Dept. of Agriculture, discussed his division.

Bob Tallerico discussed agency issues and Table 1 on page **C-179** of the LBA 2001 budget book. He went through the Wheat and Barley Account, Produce Account, and Grain Services. **Mr. Tallerico** addressed the department breakdown by funding and/on page 2 of Exhibit 3 versus that of page **C-178**.

HEARING ON HB 2 - DEPT. OF AG - CENTRAL MANAGMENT DIVISION

Mr. Tallerico discussed the funding of the Central Management Division, then went into the Present Law Adjustments on page **C-182**.

DP 8

Freida Houser addressed this decision package, while **Bob Tallerico** commented on the LFD Issue. **Rep. Haines** asked by how much the \$87,028 was short for a contractor, to which it was replied by approximately half. He then asked if it would be faster with an in-house person or a contractor, to which it was replied that there are trade-off's with both.

Sen. Keating asked if the \$87,028 reverted. The agency replied that it was one-time-only, so did not revert. **Bob Tallerico** commented that there were no expenditures in FY98, but were some expenditures in FY99. **Sen. Keating** then inquired if the division is asking for an additional FTE, to which it was replied no.

Chairman Witt inquired about the earlier division comment that it would take 7 years to rewrite 'D'-base to Oracle. The division replied that with the new FTE, that person could dedicate their time strictly to transcribing, so it would cut the time down to approximately 2-3 years. **Bob Tallerico** asked if the requested FTE would be one-time-only or if it would be a long term deal. The division responded it would be okay on the one-time-only, but the department is expecting 2-3 years of work. **Rep. Haines** then asked

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some final questions on contracting services, as did **Sen. Keating**.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - CENTRAL MANAGEMENT
DIVISION**

{Tape : 3; Side : A; Approx. Time Counter : 6.8}

Motion/Vote: SEN. NELSON moved that DP 8 BE ADOPTED AS ONE-TIME-ONLY. SECONDED by REP. HAINES. Motion carried unanimously.

Break @ 10:29am *{Tape : 3; Side : A; Approx. Time Counter : 11.7}*

DP 1502

There was strong committee discussion over this decision package which lead to a line out of what was included in each budget category.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - CENTRAL MANAGEMENT
DIVISION**

{Tape : 3; Side : B; Approx. Time Counter : 1.9}

Motion/Vote: SEN. CRISMORE moved that DP 1502 BE ADOPTED. SECONDED by REP. HAINES. Motion carried unanimously.

HEARING ON HB 2 - DEPT. OF AG - AGRICULTURAL SCIENCES DIVISION

{Tape : 3; Side : B; Approx. Time Counter : 3.1 - 10.6}

Bob Tallerico commented on the LFD Issue - Produce Account, on page **C-183** of the LBA 2001 budget book, whose fees likely fall under CI-75. A discussion ensued over the CI-75 issue beginning with **Director Peck** and SB 130 which addressed the Produce Act and fees. It ended with questions from **Sen. Keating** and comments from **Sen. Nelson** and **Gary Gingery**.

DP 7

**EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - AGRICULTURAL SCIENCES
DIVISION**

{Tape : 3; Side : B; Approx. Time Counter : 10.6}

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Motion/Vote: REP. HAINES moved that DP 7 BE ADOPTED AS ONE-TIME-ONLY. SECONDED by SEN. NELSON. Motion carried unanimously.

DP 9

No action taken on this decision package ~ contingent on SB 130.

DP 11

Bob Tallerico commented that the executive recommends this decision package as one-time-only.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - AGRICULTURAL SCIENCES
DIVISION**

{Tape : 3; Side : B; Approx. Time Counter : 23.7}

Motion/Vote: SEN. NELSON moved that DP 11 BE ADOPTED AS ONE-TIME-ONLY. SECONDED by REP. HAINES. Motion carried unanimously.

DP 24

Sen. Crismore moved DP 24, though, it died for lack of a second.

DP 26

Sen. Keating questioned Mr. Gingery on the fees charged for analysis that help with funding, while Rep. Tropila asked where the other funding was coming from. He was directed to the third paragraph under DP 26 on page C-185 of the LBA 2001 budget book.

**EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - CENTRAL MANAGEMENT
DIVISION**

{Tape : 3; Side : B; Approx. Time Counter : 5.2}

Motion/Vote: SEN. NELSON moved that DP 26 BE ADOPTED. SECONDED by SEN. KEATING. Motion carried unanimously.

DP 3001

Sen. Keating asked Mr. Gingery a general question on whether the growth in numbers corresponds to the growth in the budget. Sen. Nelson inquired about a program for pesticide disposal, then Pam Langley, MT Agribusiness Association, commented. Rep. Haines

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asked about leasing versus buying replacement vehicles, with
comments from **Doug Schmitz** and **Director Peck**.

EXECUTIVE ACTION ON HB 2 - DEPT. OF AG - CENTRAL MANAGEMENT
DIVISION

{Tape : 4; Side : A; Approx. Time Counter : 29.9}

Motion/Vote: SEN. NELSON moved that DP 3001 BE ADOPTED. SECONDED
by SEN. CRISMORE. Motion carried unanimously. *Rep. Tropila was
away from committee room during executive action.

ADJOURNMENT

Adjournment: 11:55 A.M.

REP. JOHN WITT, Chairman

SUMMER ALGER, Secretary

JW/SA

EXHIBIT (jnh15aad)